GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA

UNSTARRED QUESTION NO:753
ANSWERED ON:07.02.2017
Private Agencies for Procurement of Crops
Siddeshwara Shri Gowdar Mallikarjunappa

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) the names of private agencies which are proposed to be included for procurement of crops like rice and wheat;
(b) whether any arrangement has been made for monitoring the work of private agencies and if so, the details thereof; and
(c) whether involvement of private agencies will create/resolve the various irregularities/problems concerning foodgrain procurement at MSP and if so, the details thereof?

Answer

MINISTER OF STATE FOR CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION
(SHRI C. R. CHAUDHARY)
(a): As per the policy introduced by Government of India (GOI), engagement of private players for procurement of Paddy/Rice was attempted from KMS 2015-16. Statement showing details of private players engaged for paddy/rice procurement is at Annexure-I.
No private player is presently engaged for wheat procurement.
(b): Yes, Madam. Engagement of private players to enhance outreach of MSP to large number of farmers especially small and marginal ones has been ensured through tender process; the private players are bound by elaborate terms and conditions stipulated in the contracted agreement. These terms and conditions are designed to protect the interest of farmers. For monitoring the private players, adequate arrangements have been prescribed in the Model Tender Form and contract agreement, which are available at Annexure-II.
(c): No irregularities/ problems have been occurred in KMS 2015-16 pertains to involvement of private agencies in procurement of paddy.
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ANNEXURE-I
ANNEX REFERRED TO IN REPLY TO PART (a) OF UNSTARRED QUESTION NO 753 TO BE ANSWERED ON 7th FEBRUARY, 2017 IN LOK SABHA.
Details of private players engaged for paddy/rice procurement
(I) Uttar Pradesh:
Cluster
Revenue Distt
Name of private party
engaged
Cluster 1
Ballia, Mau, Ghazipur, Chandauli
M/S NCML
Cluster 2
Allahabad, Kausambhi, Pratapgarh, Sultanpur
M/S Veerprabhu
Cluster 3
Ambedkarnagar, Basti, Sant Kabirnagar, Siddharthnagar
M/s Farmers fortune (India) Private Limited
(II) Jharkhand:
Cluster
Revenue Distt
Name of private party
engaged
Cluster 1
South Chottanagpur
M/S NCMSL
Cluster 2
Kolhan
M/S NCMSL
(III) West Bengal:
Cluster
Revenue Distt
Name of private party
engaged
Cluster 1
Bankura
M/S Veerprabhu Marketing Limited

Cluster 2
Burdwan
M/S Veerprabhu Marketing Limited
Cluster 3
Dinajpur
M/S Veerprabhu Marketing Limited
Cluster 4
Siliguri
M/S Veerprabhu Marketing Limited
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ANNEXURE-II

ANNEXURE REFERRED TO IN REPLY TO PART (b) OF UNSTARRED QUESTION NO. 753 TO BE ANSWERED ON 7th FEBRUARY, 2017 IN LOK SABHA.

1. Private Player to check documents prescribed by FCI for verification of identity of farmers.
2. FCI to verify that the payment of MSP has been made by the private parties within two working days by RTGS/NEFT/Electronic Mode before reimbursement of the MSP to private parties besides ensuring that all the statuary liabilities have been discharged by the private parties within the prescribed time limit.
3. The private players are bound to furnish daily procurement reports to FCI.
4. FCI has right to inspect the purchase centers/storage points of the private parties/millers premises.
5. FCI to monitor that private parties are in possession of the required licence/permissions from the concerned Central/State Government Local authorities for carrying the procurement operations, maintain proper records of all the procurement activities like rejections, payment made to the farmers, transportations, quality checks, weighment, storage etc.
6. Quality checking of rice is carried out by FCI at the time of acceptance at its Depot.
7. FCI to evaluate the performance of private parties and impose commensurate penalty on private players for their acts of omissions and commissions. In case, the performance private parties is found wanting at any point of time, in addition to payment of penalties, their engagement shall also be liable to be terminated at their risk and cost in which case Security deposit furnished by them shall be forfeited and they shall be blacklisted for a period which may extend up to 5 years.

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